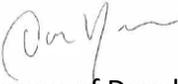




Office of Commissioner Dan Ryan  
City of Portland

Date: March 18, 2021

To: Mary Hull Caballero, City Auditor

From: Dan Ryan, Commissioner   
Rebecca Esau, Director, Bureau of Development Services 

Re: Response to Audit, "Building Permit Reviews: Long-standing inability to meet customers' needs won't improve without better management, sustained governance"

Thank you for the opportunity to review the findings of this audit and offer our response to its recommendations. We are committed to working with City Council and partner bureaus in addressing the longstanding, complex challenges that have impacted the City's delivery of permitting services.

**The Bureau of Development Services (BDS) has long been aware of the issues raised in the audit and has been working to address them.** The audit covers the period through 2019, but not 2020, so this response provides some context on the work that started prior to 2019 and continues to the present.

Prior to March 2020 when the response to the pandemic required City offices to close, BDS had completed several multi-year projects building the foundation for improvements with several major technology initiatives:

- A major upgrade to the City's permitting software (AMANDA) which was launched in February 2020, with more work planned to program the system to produce performance reports;
- Development of the first phase of an online portal which allowed permit payment and permit application submittal for limited types of permits (Development Hub PDX), with more work planned to expand the system's functionality to include more permit types;
- Development of the first phase of mobile technology for inspectors, with more work planned on refining the Inspector Application to make it even more efficient; and
- First phases of digital plan review, with plans to transition from paper to digital plan review in phases.

With this foundation of technology improvements built, the Bureau was better positioned to triage the situation in March 2020 than if this early work had not been done. The pandemic and subsequent transition to remote work meant BDS had to abandon the phased roll out of increased functionality of these systems and instead launch everything fully at once. This necessitated the creation of some interim systems while permanent systems were simultaneously being built. That work continues today in the form of programming and testing to:



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- Create the ability to run regular performance reports and dashboards using data from AMANDA;
- Expand functionality of the online permit portal for more automated steps and efficiencies; and
- Adapt the digital plan review software to allow staff and customers to work more efficiently.

**The Bureau is using this transformation to build new systems for serving the community using a framework of justice, equity, and inclusion.** The goal is barrier-free access to permitting services, meeting our customers where they are, and creating equitable outcomes. For example, by creating multiple paths to access service – including paper-based and digital – BDS is reducing barriers for customers without access to computers, childcare, time off, transportation, and more.

It is important to highlight additional actions already underway, including:

- The Customer Consultation System to allow customers to ask City subject matter experts questions about property or projects via teleconferencing appointments (*launching April 2021*);
- The Governance Structure Initiative which will provide a system for resolving conflict and setting priorities between the bureaus involved in permitting (*July 2021 completion date*);
- The Memorandum of Understanding (MOU) Update Project to update BDS' written agreements with its partner bureaus related to operations and service delivery commitments (*August 2021 completion date*);
- A Business Process Initiative to streamline and improve the commercial building permit process (*September 2021 completion date*);
- A Performance Management Plan for each work group in BDS;
- A Metrics and Reporting Improvement project; and
- The [Bureau Workplan](#) launched from the Director's goals memo at the end of 2020.

While all these actions and initiatives will cumulatively help address the issues impacting the delivery of permitting services, they can only go so far. The Bureau of Development Services is the face of permitting in Portland due to its role in coordinating permitting, but it is just one of seven bureaus that administer development regulations and review permit applications for compliance with those regulations. Progress has been made in coordination and collaboration between the bureaus involved, but work remains.

In general, we agree with your five recommendations and want to add specific considerations for the first and second recommendations:

- **Recommendation 1: Develop and adopt a Citywide performance management system capable of achieving consistent fulfillment of the City's comprehensive performance goals.**  
BDS agrees a citywide performance management system is needed but has no recourse if other development review bureaus don't agree to participate or can't agree on performance goals/measures. This project will be undertaken as a future update to the MOUs between development review bureaus.



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- **Recommendation 2: Follow City policy for resolving and reporting customer complaints about plan review delays or propose an alternative that provides the same level of accountability to the customer, Development Review Advisory Committee, and Council.**

An alternative process for resolving and reporting customer complaints is being created through the Governance Structure Initiative project referenced above. In the interim, customers are encouraged to resolve conflict at the lowest level possible and can use the path of escalation outlined on the website: [Report a Problem with an Inspection, Permit or Plan Review | Portland.gov](#)

Finally, Commissioner Ryan is assembling a new Permitting Task Force to significantly streamline the permitting process and build shared responsibility and accountability across each of the seven development review bureaus. The timing and success of this work is critical as Portland's ability to deliver timely, well-coordinated permitting services will either support or hinder Portland's economic recovery in the coming months.

We thank you and your staff for engaging with us and BDS employees in the preparation of this audit. We look forward to working with you in the implementation of its recommendations.